FINANCIAL NEWS

SPOTLIGHT ON FINANCE

Critics doubt government food-service sales figures

By Rick Telberg
Financial Editor

Every month, by mail and in person, the U.S. Census Bureau canvasses 15,000 businesses to track the fluctuations of the nation's retail trade, including food-service sales.

The Census is only one of a number of Federal agencies, including the departments of Labor and Agriculture, which every day spew out reams of numbers gauging the nation's output of goods and services, and the workings of a thousand marketplaces.

Last month, for example, the Census Bureau, a part of the Commerce Department, released its earliest barometer of December retail sales. Food-service sales were up 10.8% for the month from a year before, or 11.5% after seasonal adjustments, and 1.2% month-to-month, seasonally adjusted, from November to December.

But many economists and analysts have learned to take Government economic data with a hefty heaping of salt. They complain that the statistics are often poorly tabulated, late and incomplete. That's not because Government technicians are twisting the data for partisan political reasons, but simply because they are not given the budgets to do a better job.

"We don't have in this country today a really adequate statistical program," said Malcolm Knapp, president of a New York food-service industry research firm bearing his name.

"It's dangerous," agreed Martin Lefkowitz, director of economic trends and statistics at the U.S. Chamber of Commerce in Washington, "because the Government and business can make the wrong policy decisions based on the wrong numbers."

While defending the job they do, Government statisticians agree they are underfunded, but also add the critics fail to understand the enormity of their assignment.

Restaurant industry analysts most often criticize the Census Bureau's broadest measure of industry sales—the eating and drinking place category, which tallies restaurants and bars.

"The reason people follow eating and drinking combined is that those are the earliest figures available," Knapp said. "But the error on drinking places has been off by as much as 20% over the last five years."

The discrepancy arose, Knapp said, because the Census Bureau failed to accurately count the number of small, mom-and-pop-owned taverns who have no payrolls. The Census bases most of its monthly surveys on establishments with payrolls and then adjusts with door-to-door canvassing.

Other analysts are unsure of the seasonal adjustment factors the bureau uses to take into account trading-day and holiday differences. "I don't trust those numbers," said Joseph Doyle, a restaurant industry analyst at Smith Barney in New York.

But economic statisticians, concerned about month-to-month changes where business relies on year-to-year trends, say seasonal adjustments are necessary to compensate for periods with different spending patterns.

For instance, December 1984 had five Saturdays and November had four, plus the Thanksgiving and Christmas holidays as complicating factors. To ignore the differences, statisticians say, would be foolish.

And sometimes, analysts and economists are completely befuddled by Census figures which run counter to their own experience.

According to the Census Bureau, for example, August 1984 was one of the best months of the year for the restaurant industry. But with the Los Angeles Olympic and Presidential debates, major restaurant chains were reporting dismal traffic fall-offs and blaming television for keeping diners at home.

But Jay Fairfield at Piper Jaffray & Hopwood in Minneapolis said, "I would not disbelieve the August numbers. It could mean that total industry sales were increasing, but less of it was going to chains, confirming our impression that competition in the industry is increasing."

Whether fighting the numbers or attempting to work with them, the users of Government data tend to agree the data are too little and too late.

"It's ironic," said Knapp, "that a pro-business GOP Administration is doing little to increase business intelligence."

* * *

STOCK-PICKERS' PICKS: Roger Lipton at Ladenburg Thalmann in New York, seeking plays on small stocks, has come up with a recommendation on one of the smallest—Twistee Treat (recent price: $2).

Twistee Treat manufactures prefabricated ice cream stores in the shape of giant ice cream cones that sit on parking lot pads. Each store costs less than $125,000 to open, but typically grosses $275,000 a year, Lipton says.

With about a dozen stores open now and commitments from franchisees to build a 100-unit chain within a year, Lipton figures Twistee Treat's earnings could leap from 13¢ per share this year to 40¢ next year.

Soft sales depress Po Folks 1st quarter net profit

NASHVILLE — An 8% to 10% drop in sales since July has undercut Po Folks Inc.'s year-to-year net profit by 20% for the first quarter, ended Dec. 30, to $642,000.

Revenue for the quarter, ended Dec. 30, was up 30% to $30.3 million.

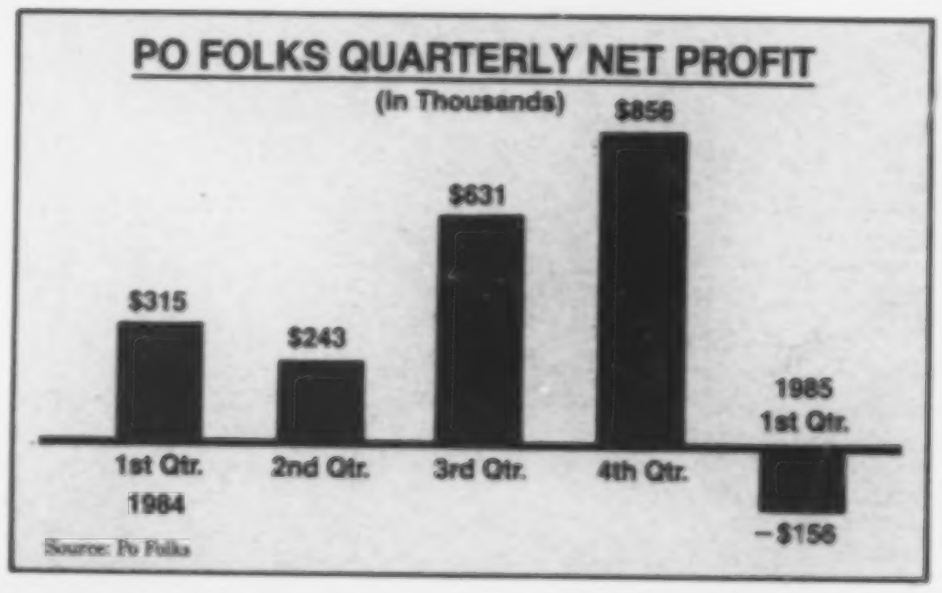
Figures include earnings of subsidiary DavCo Inc., the largest Wendy's franchisee in the United States, operating 105 units. DavCo sales were up 28% for the quarter, to just over $22 million.

Walt Spear, vice president of finance for the 140-unit family restaurant chain, said it was "hard to say" what was behind the 20% drop, but that contributing factors might be "a proliferation in the number of new restaurants that opened during the quarter," cannibalizing the publicly held company's sales, and a rise in retail credit.

"When people buy hard goods," like cars or machinery, he said, "they eat out less." January, February and March is our worst quarter," he added. "October, November and December is our second worst."

To combat the sales decline, the chain has introduced marketing and new product development programs aimed, according to president Clyde Culp, at building sales and solidifying market position. Po Folks rolled out a roast beef dinner in December; it is currently accounting for 8% of sales. A new cobbler dessert has also been rolled out.

Net profit for 1984 was $3.3 million, on revenue of $107,118,000.



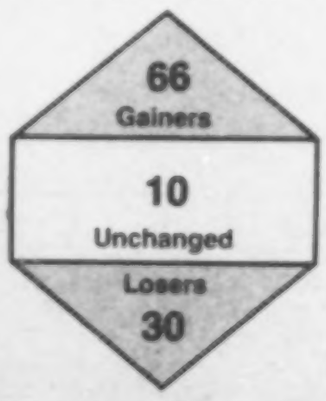
WALL STREET UPDATE

Index leaps 4.1 points, sets record high of 113

NEW YORK — Powered by the broadest stock market rally since 1971, the *Nation's Restaurant News* 88-issue Food Service Operators Stock Index jumped 4.1 points in the week ended Jan. 25 to hit a record high of 113.

Winners outnumbered losers on the full 106-stock *NRN* listing 66-to-30, with 10 unchanged.

Restaurant stocks were following a broad market boom which saw advancing issues outpace declining issues for 15 straight trading days, a 14-year record. Market watchers credited the rally with good economic news.



The Dow Jones Industrials Average closed at 1276.06 in the same week, up 48.70 points. Some analysts openly predicted a 1300 Dow.

Seventy-seven of 106 *NRN* stocks showed volume gains, the heaviest trading bias in weeks.

Leading the restaurant stock rally, Naugles volume surged 320%

(See INDEX, page 56)

Bank buys 5% of American Family Pizza

HOLLYWOOD, Fla. — Buffalo Capital Corp., a New York merchant banking firm, has purchased 5.5% of American Family Pizza, operator of 15 franchised Godfather's in Florida.

Buffalo Capital's chairman, John H. Hickman III, has been named to chair American's executive committee.

American Family Pizza chairman Jerry Slusky said the purchase of 100,000 shares, priced recently at $1 each, was a private transaction. Slusky will remain chairman of the company.

Along with the rest of the operators in the 900-unit Godfather's network, American Family Pizza has suffered declining profits. Because of the write-offs on five closed stores, the fourth quarter might show a loss. In the third quarter the company reported a $260,000 loss, despite a 23% revenue gain to $2.2 million.

But this franchisee is conducting one of three authorized tests of a new New York-style thin-crust pizza that some analysts believe the chain must roll out in order to be competitive with other chains.

The deep-dish pan pizza Godfather's rolled out early last year was a failure. After initially impressive sales gains, customer dissatisfaction combined with high food costs and operational difficulties to result in the product's being withdrawn from stores.

A reformulated pan pizza, Slusky said, did not have the problems of the original, but sales were "nothing substantial."

Because of its financial problems and the lack of adequate direction from the parent company, American Family Pizza suspended the payment of royalty fees to the franchisor last year. Slusky said he was "discussing" the matter with the parent company, Diversifoods, and believed some agreement would be reached.

Hickman, who holds a law degree from Yale, is a professor of management at Barry University in Miami, the company said. He is also a director of a New York-based nursing home chain that has five facilities in Florida.

Hickman has been granted options to buy 100,000 more shares of American Family Pizza stock to be exercised after the company has reported two consecutive profitable quarters.

CLASSIFIED ADS GET RESULTS

C5150-5

Health care feeding blossoms into a $12.7 billion industry
—Focus/F3-4

Max & Erma's contemplates an upscale route to recovery
—Page 4

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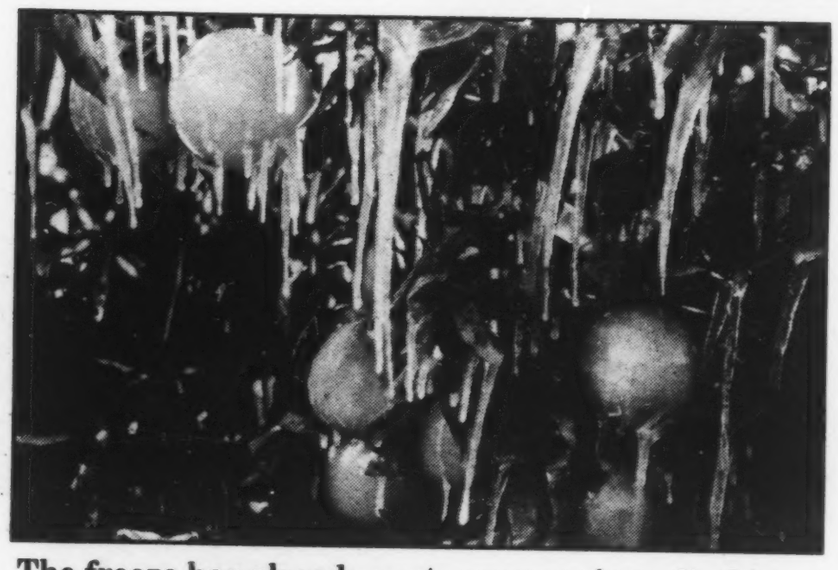


The freeze has already sent orange prices climbing.

Freeze raises prices

Florida frost hits orange, vegetable crops

By Patt Patterson

LAKELAND, Fla. — The fourth disastrous freeze in the past five years hit Florida last month and will affect the supplies—and prices—of frozen orange juice concentrate, fresh oranges and winter vegetables, all of which were damaged by the low temperatures.

Frozen concentrated orange juice prices have already started climbing, although two factors may cushion the rise: the bumper crop of oranges processed into juice concentrate by Brazil, and the continuing competition between processors in this country.

Of greater immediate concern to Eastern and Midwestern food-service operators is the squeeze the freeze damage will place upon winter vegetable supplies. A major portion of the tomato, lettuce and peppers that traditionally come from Florida in the winter were destroyed in the fields.

*(See **FREEZE**, page 71)*

El Torito testing low-end concept

By Richard Martin
West Coast Editor

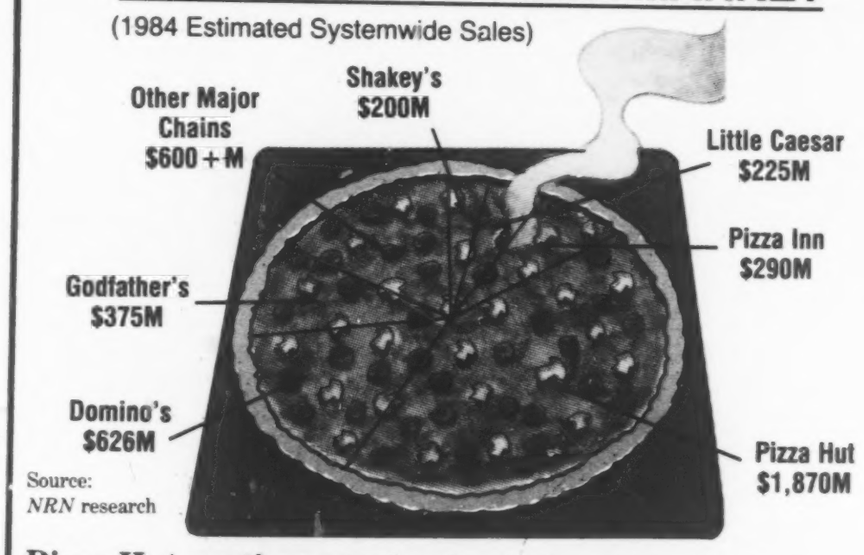
CHICAGO — El Torito, on the heels of a 43% net profit gain last year, has unveiled a new, nothing-over-$4.95 Mexican concept, Que Pasa, in three converted Jojos coffee shops here.

Four more freestanding Jojos conversions to the breakfast-lunch-dinner Que Pasa format, also in the Chicago market, are tentatively scheduled for the April-June quarter.

The initial Que Pasa test units, which opened last month in Morton Grove, Buffalo Grove and central Chicago (at the corner of Harlem and Foster streets), feature a full bar—where the coffee shop counter used to be—and a greenhouse atrium addition on two sides.

*(See **EL TORITO**, page 71)*

SLICING UP THE PIZZA MARKET



Pizza Hut continues to dominate the chain pizza segment with estimated annual sales of nearly $1.9 billion but other major chains are rolling out new menu items and new concepts to grab a bigger slice of market share. Meanwhile, independent pizza restaurants control an estimated 54% of the total pizza market. (Full report on page 3.)

America's menu covers all bases

By Paul Frumkin

NEW YORK — Although restaurants featuring regional American cuisine appear to be springing up on virtually every vacant corner of the city these days, not one of these trendy new operations has attempted to deliver as large and diverse a menu as the six-week-old America in lower Manhattan.

With nearly 200 dishes listed, the 10,000-sq.-ft. restaurant—located in an old rug warehouse—at first, more closely resembles a cafeteria than it does its smaller, white-tablecloth competition such as An American Place, Diane's, Cajun, or Carolina.

On closer examination, however, America's menu orientation is distinctly thematic, with the majority of the dishes culled from a contin-

*(See **AMERICA**, page 12)*

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"Country cooking" chain opens new prototype 29

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Standing out in San Diego

A revitalized downtown offers tasty opportunities

EDITOR'S NOTE: What's happening in America's Marketplaces? Are we bound for another recession? Or will economic activity at the local level encourage continued growth? Reporters and editors for Nation's Restaurant News *are talking with industry executives, independent operators, economists and political leaders throughout the country to get an assessment. Their findings will appear on an occasional basis over the next few months in* NRN. *This week: A comprehensive look at San Diego.*

* * *

By Richard Martin
West Coast Editor

SAN DIEGO — Deacon Brown thought he would abandon the maritime charm and sun-drenched ambience of San Diego and return to Los Angeles.

Restaurateurs Carol and Paul Dobson have helped spark the resurgence of downtown San Diego.

First of a series

AMERICAN MARKETPLACE

A tall, blond former Marine with a business degree, Brown became a successful restaurant owner with the thriving Cafe Pacifica seafood dinnerhouse he opened in San Diego's Old Town district. But just 120 miles to the north, where Brown had been Patrick Terrail's maitre d' at Ma Maison, the vast Los Angeles

*(See **SAN DIEGO**, page 10)*

Chains, independents carve up pizza market

By Don Jeffrey

Pizza chains, battling each other and strong independents for market share, are testing popular but problematic home delivery systems and adding new, so-called upscale menu items to build traffic and boost repeat business.

Impressed with Domino's Pizza's apparently successful pioneering efforts with home delivery, Pizza Hut, Godfather's, Pizza Inn and other chains are testing delivery systems of their own. But they are encountering increased costs, operational headaches and other challenges, and are moving slowly.

Independents are estimated to hold 54% of the total pizza market. Analysts point out that they seem much more able to hold their own against the invasion of the national pizza chains than, say, local burger and chicken operators were against the nationals in those segments. Many pizza operators continue to say that small independents are their biggest competition in any market.

While crediting Domino's chairman-chief executive Thomas Monaghan with creating a market for pizza delivery, other pizza officials are not yet convinced of the concept's viability. "It might not have staying power," warns Pizza Inn chairman F. Joseph Spillman.

Pizza Hut is testing home delivery in five markets in special units so regular operations are not disrupted. Other chains, including Godfather's and Pizza Inn, are testing delivery out of their regular units but do not expect to add delivery systemwide in the near future.

Meanwhile, major pizza chains, borrowing ideas from independents and devising their own offerings, are testing new menu items such as the priazzo, Pizza Hut's double-crust, Italian-style pie;

*(See **PIZZA**, page 63)*

Although Pizza Inn chairman F. Joseph Spillman (left) credits its Domino's Thomas Monaghan with creating a market for pizza delivery, he and others warn the concept "might not have staying power."

Wyndham takes aim at Marriott's Courtyard niche

Plans March groundbreaking for midpriced hotel chain

By Peter Romeo

DALLAS — Wyndham Hotels, an upscale chain backed by Texas millionaire Trammell Crow, is spinning off a tier of midpriced inns called Wyndham Garden Hotels that are admittedly similar to Marriott's Courtyard concept.

Wyndham revealed its new strategy on the same day that Marriott disclosed plans to build eight to 10 Courtyards in or around Crow's home town here, and 20 more elsewhere in Texas by 1992.

Like the Courtyards, Wyndham Garden will consist of low-rise buildings surrounding a garden-style courtyard. Each inn will feature 150-180 rooms, 10-15 suites, a restaurant, lounge and meeting rooms.

"The properties are geared toward the commercial traveler," says Wyndham vice president of marketing Caren Kline. "Rates will fall in a range of $50-$60.

Ground will be broken for the first Wyndham Garden in Las Colinas, Tex., on March 15. The property is scheduled to open sometime in December.

Wyndham's initial plans call for five or six additional inns to be constructed elsewhere in the country. The concept will not be franchised.

When questioned about the similarities between Wyndham Garden and Marriott's Courtyards, Kline responded that "a number of hotel companies are going after that market.

"And there are some differences," she added. "Our hotels will be more upgraded than Courtyards. Some will be included in mixed-use complexes built by Trammell Crow companies. Marriott's not doing that."

One of the lodging chains looking to copy the Courtyards concept is Ramada Inns, where work has already begun on what its executives call "the motel of the 90's."

Wyndham president Jerry Best had been president of Ramada until last fall. Prior to that, Best was with Marriott.

Marriott expects to begin construction of its first Texas Courtyard in Arlington late in 1985, a spokesman said. Meanwhile, the company is scouting or negotiating for eight to 10 sites in the Dallas/Fort Worth area.

Marriott's longer-term plans call for the construction of Courtyards in Austin, San Antonio, El Paso, Waco, Tyler, Amarillo and College Station. All will be corporately owned and operated.

Student Prince owner Rupprecht Scherff holding one of the 1,400 beer steins in the restaurant's collection.

Guiding the Student Prince

Like his restaurant, Rupprecht Scherff is an institution

By Peter Romeo

SPRINGFIELD, Mass. — "Where's the sauerkraut? I told you to bring sauerkraut," Rupprecht Scherff barks at one of his waitresses as he zips through the dining room, displaying more energy at age 70 than most of his younger servers.

The waitress—a plate of sauerkraut in hand—mutters a comeback under her breath, much to the delight of the two businessmen she is waiting on. Customers of the Student Prince and Fort Restaurant have come to expect such human touches from Scherff and his staff. As one patron commented, "It's just like home."

And indeed, the 250-seat, $2 million-a-year restaurant and bar has become home, or at least the next best thing, to thousands who have eaten there all their lives. An amazingly loyal clientele has made the Student Prince a Springfield institution, known to celebrities and common folk alike from New York to Boston.

Scherff says he ignores current food fads and trends in favor of heavy, stick-to-the-ribs German-American dishes. His customers apparently agree with this approach—traffic is running 10% above last year.

In addition to the food, one of the main attractions at the Student Prince is Scherff himself—a character by anyone's definition.

Many Student Prince customers first encountered Scherff while still in diapers. Through the years, "Rudy" or "Ruppert" was always there to greet them at the door, often by name, with a hearty "Gutten appetit" and a menu that includes recipes taught to Scherff by his mother.

Yet, after operating the Student Prince for 36 years, and owning it for the last 15, Scherff still manages to pack some surprises.

Flanked by stained glass windows, with his 1,400 beer

*(See **PRINCE**, page 14)*

Jack in the Box rolls out new salad, refines strategy

By Richard Martin

West Coast Editor

SAN DIEGO — While mulling over a chainwide name change to Monterey Jack's, Jack in the Box has bolstered its executive lineup, launched a major franchising drive, and rolled out a $2.89 pasta-seafood salad.

The new pasta-seafood item furthers the fast-food chain's successful five-year-long repositioning toward a more adult market, begun when the company "blew up" its clown mascot in 1980 television commercials.

But last month, while an elaborate TV spot pitching the new salad tried to distance the 790-unit chain from competitors' "burger wars," Jack in the Box began a concurrent print-ad promo in most markets of its $1.59 Jumbo Jack burger, offered for a limited time at 99¢.

The TV ad for the pasta salad (white fish, "snow crab," bay shrimp and green and yellow spiral pasta on a bed of lettuce) was devised out of the chain's estimated $20 million ad budget by Barry Klein, former executive vice president of Jack's agency, Wells, Rich, Greene/West. Klein, a multiunit McDonald's franchisee in New York who dreamed up the Ronald McDonald concept when he was that company's advertising director, joined Jack in the Box as executive marketing vice president on Feb. 1.

Klein's appointment was one of several made effective Feb. 1 by Jack W. Goodall, president and chief executive of Foodmaker Inc., the food-service subsidiary of Ralston Purina Co., and the parent of Jack in the Box.

Robert J. Nugent Jr., former operations vice president at Ponderosa and a five-year Foodmaker veteran, moved from operations vp to executive operations vice president.

Stephen (Duffy) Oyster, former marketing director for Dunkin Donuts, advanced from his three-year position as

*(See **JACK**, page 63)*

Max & Erma's seeking recovery

Chain weighs upscale shift

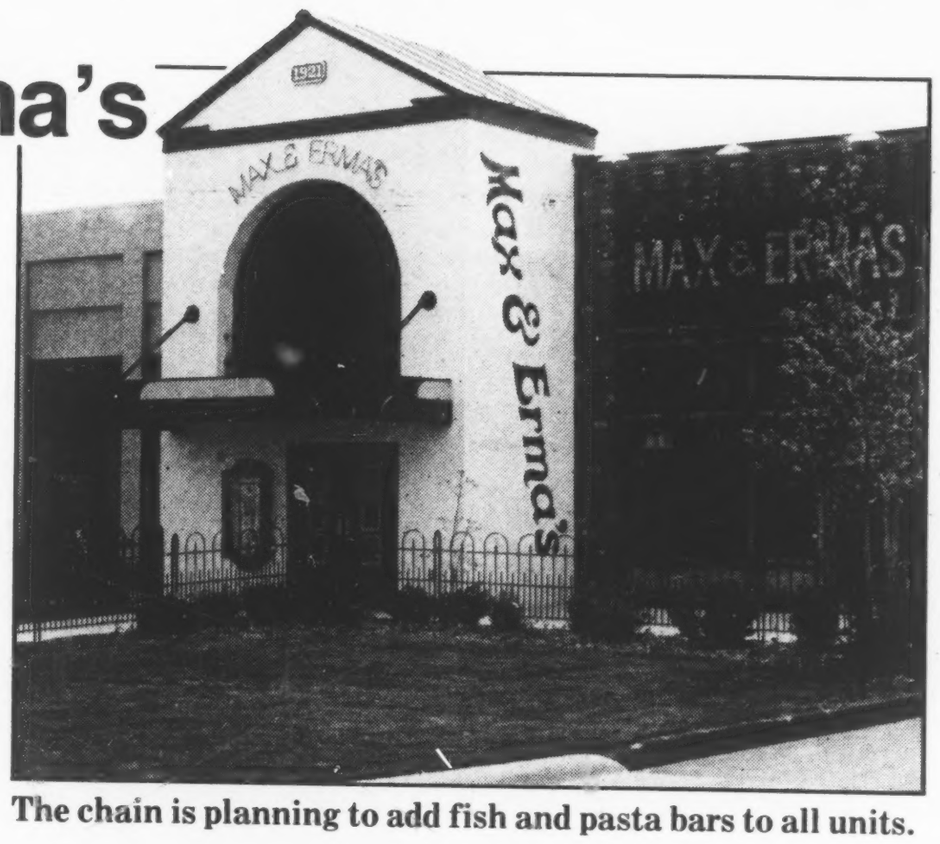
By Patricia Stoll
Midwest Editor

COLUMBUS, Ohio — Opening new restaurants in high-traffic areas is a key factor in the turnaround strategy of Max & Erma's, a dinner-house chain which is attempting to recover from two years of losses compounded by the closing of four units.

Also a key strategic factor for Max & Erma's—which expanded over the past 13 years from a single restaurant offering large hamburgers, hotdogs and do-it-yourself sundaes to an 11-unit full-service chain with 1984 sales of $17.8 million—is revision of the menu and addition of seafood and pasta bars to differentiate it from similar concepts like Houlihan's and Bennigan's.

Yet despite the struggle to carve out a niche for Max & Erma's, its management is considering spinning off into the highly competitive—and some say oversaturated—self-service upscale burger market in which the most visible participants are Fuddrucker's and Flakey Jake's.

Although he characterized the company's consideration of entering the upscale burger market an "internal debate," president Todd Barnum said, "I think we may stick our toe in the water."



The chain is planning to add fish and pasta bars to all units.

Barnum blamed poor site selection and subsequent closings of four Max & Erma's restaurants for a loss of $761,000 in 1984, following a $298,000 loss in 1983.

Shuttered during those two years were four units in Toledo, Cincinnati, Louisville and Kansas City. During the same period, two units opened in Columbus and Farmington Hills, Mich. Other Max & Erma's are located in Indianapolis, Dayton, Pittsburgh and Lexington, Ky.

'The company has more clearly defined its target group.'

"We weren't doing our homework," said Barnum about site selections made in the past five years by the company.

Although several of the now-closed sites appeared to be good financial deals at the time, Barnum said their locations—away from high-traffic areas where competitors Houlihan's and Bennigan's were present—led to their unprofitability and eventual closings.

All remaining units are profitable, Barnum said, noting that one of the newest did volume of $40,000 its first week. Average annual unit volumes for the newer units—which have 5,000 to 6,000 sq. ft. and 130 seats—is $1,550,000, added Barnum.

To strengthen its position in high-traffic locations, the company is looking to convert existing restaurants, especially in suburban areas, near shopping malls.

Only two of the company's restaurants are in urban areas—in Pittsburgh and in Columbus, at Ohio Center.

"We're very much into sub-

*(See **MAX**, page 12)*

IFA bullish about franchise growth

By Ken Rankin
Washington Editor

FORT LAUDERDALE, Fla. — Basking in a wave of optimism as warm as the south Florida sun, fast-food executives at this year's International Franchise Association convention expressed fresh confidence that franchising will emerge as the dominant method of doing business in the United States by the turn of the century.

Behind the stepped-up chain confidence at IFA's silver anniversary convention late last month: a parade of speakers openly bullish on the growth prospects for franchising, coupled with the release of new research that tends to confirm those upbeat projections.

One new study released by IFA at the start of the five-day meeting found "overwhelmingly" positive attitudes toward franchising on the part of the general public—a sharp reversal from the situation in the 1960's when franchising was viewed with suspicion by many consumers and potential investors.

A second study unveiled during the IFA meeting in Fort Lauderdale—the Commerce Department's annual "Franchising In The Economy" forecast—suggests fast feeders and other restaurant industry franchisors are on the verge of a major expansion drive this year which should result in a 14% jump in dollar sales during 1985.

Even Philip Zeidman, IFA's normally pessimistic Washington Counsel, cited a series of recent franchise-related Government actions which he said may indicate that a "strain of common sense" is emerging in Washington.

For his part, IFA chairman Stanley Bressler characterized the state of the association as "terrific" ('84 revenues topped $1.1 million and IFA pocketed a $100,000-plus surplus last year), and noted franchising is now on track to capture 50% of the nation's total retail sales by the year 2000.

Clearly, "you are in the right place at the right time," Bressler told the chain leaders.

All but overlooked during the up-beat meeting: a series of disquieting signals that franchising's silver cloud may have a somewhat darker lining.

Despite the bullish forecasts, IFA's convention produced fresh indications franchisors are growing increasingly concerned about "breakaways" or franchisee-initiated terminations which could skim the cream from the favorable growth projections for the fast-food industry.

Federal Trade Commission officials, meanwhile, released the results of a new franchisee survey at the meeting which suggest widespread chain violations of FTC's rule governing earnings claims to prospective investors. (Full coverage of the '85 IFA convention in an upcoming issue.)

COMMODITIES

Rising beef supply undercuts price hikes

By Patt Patterson

The increasing supplies of grain-fed cattle coming out of the feed lots has kept a lid on any beef price rises last month. The supply of fed beef is almost 10% larger than last year at this time. Combined with decreased consumption in the consumer market means operators will reap the benefits of a stable beef market, at least through this month.

With feed prices moderate, due in large part to rejection of much of the grains offered to export buyers, feeders will feel little pressure to reduce the number of cattle on feed. In fact, expect continued increases in cattle sold to the lots from now to spring. The storage damage to grain that has turned off export buyers, particularly from the Soviet Union, does not greatly affect its use for livestock feed. Producers and storage operators have cut their prices on much of this grain, keeping costs low for the feed lots.

Except during the mid-January cold wave through the midwestern hog-raising areas, hog slaughter remained above what most agricultural experts expected. In hindsight, the conclusions are now that the warm fall allowed animals to put on more weight than normal for that time of the year, thus allowing farmers to market hogs early, and reasonably high prices for hogs at the slaughterhouses has encouraged such marketing. Hog raisers, however, still reply negatively to U.S. Department of Agriculture surveys of anticipated plans for increasing or maintaining production, keeping alive fears of higher pork prices by late spring.

Poultry prices have been relatively stable, reflecting the increased number of broilers in the production chain. With lower feed costs, the large scale raisers have increased production 4% to 6% over last year at this time. Informal reports indicate the large firms are achieving a modest margin at the increased production, and consumption demand is strong.

Egg prices moved upward during January, but nowhere near the dollar-plus levels of last winter, when the avian flu scare had closed down production and resulted in destroyed flocks in Pennsylvania, Maryland and Virginia.

Most of the increase in prices recently has been laid to the cold weather hitting a large part of the eastern and midwestern egg production regions. Expect prices to range (at processor f.o.b.) between the mid-$0.50's and the mid-$0.70's through the spring, barring unexpected catastrophes or drastic changes in feed prices.

This is the period when canners traditionally take inventory of their remaining stocks of the previous year's production and adjust prices. Expect a number of increases, some of which have been announced and some of which will probably be announced this month. California Fancy leaf spinach has already (mid-January) moved up $0.50¢ per case.

Look for increases in the prices of California 6/10 ketchup, sauce and puree. Paste is likely to remain at present prices, at least until late spring. Mushrooms, on the other hand, have been sliding lower in price over the past month or two, and may slacken even more.

The supply of food-service cling peaches is getting tighter, and at *NRN* presstime one packer has already indicated intentions to hike prices. Look for possible increases this month in canned pears and fruit mixes. Apricots, although in very short supply, look stable for the next quarter, unless unexpected demand occurs.

In mid-January, the price of Hawaiian 6/10 pineapple rose 50¢ a case, despite continued pressure from imports.

PRICE MOVEMENT AT A GLANCE

	Jan. 28, 1984	Dec. 28, 1984	Jan. 28, 1985
Beef, Choice, 700-900 lb., Midwest (lb.)	$1.04	$1.01	$0.98
Broilers, Grade A dressed, icepack, N.Y.C. (lb.)	$0.6490	$0.5454	$0.5551
Butter, Grade AA, Midwest (lb.)	$1.4125	$1.41	$1.49
Carrots, No. 1 Jumbo, Calif. (50 lb.)	$6.00-$6.50	$4.00	$5.00
Coffee, green bean, Brazilian, N.Y.C. dock (lb.)	$1.50	$1.30	$1.44
Eggs, Grade A, large white, Chicago (doz.)	$1.14	$0.51-$0.53	$0.6568
Lettuce, iceberg, No. 1, Calif. (24s)	$3.00-$3.50	$10.00	$5.00-$7.00
Pepper, black, N.Y.C. port (lb.)	$1.03	$1.04	#1.20
Pork loins, No. 1, 14-17 lb., Midwest (lb.)	$1.05	$1.07	$1.01
Spinach, Fancy leaf, Calif. (6/10)	$9.95	$11.00	$12.00

Source: NRN Research

Prices listed are packers' f.o.b. plant, unless specified, and do not represent the prices paid by the operator. This list is only a reference to indicate price trends against benchmarks of one year ago and one month ago. Products listed are those showing marked movement in price.